

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: August 15, 2011
POSITION: Oppose

BILL NUMBER: AB 1330
AUTHOR: W. Furutani

BILL SUMMARY: Graduation Requirements: Career Technical Education

This bill would permit local educational agencies (LEAs) to offer a course in career technical education (CTE) as an alternative to students completing a foreign language or visual performing arts course for fulfilling state high school graduation requirements. This alternative would be in effect from July 2013 through June 2017. The bill would require LEAs that choose to offer CTE courses, as specified, to inform parents and students the intent to offer the courses and of the impact the course would have on meeting college eligibility requirements. In addition, the bill would require the Superintendent of Public Instruction (SPI) to report to the Legislature on specific student choices and outcomes of this limited-term alternative such as the number of students who chose to take a CTE course, the reasons given by students for taking CTE courses, the number of courses that satisfied college admission requirements, and the extent to which the CTE course offerings addressed local workforce needs. The bill would authorize the SPI to use existing state and federal resources or seek federal or private resources and technical assistance to support the required reporting. The bill would not require an LEA that does not already offer CTE courses to start a new program.

FISCAL SUMMARY

In an effort to defray associated state operations costs, the bill would authorize the SPI to use existing state and federal resources or seek federal or private resources to support the required reporting activity. However, the State Department of Education (SDE) reports that the requirements of this bill would likely create General Fund state operations costs of \$157,000 and 1.8 positions annually, which likely would not be absorbable because of recent reductions to the SDE's budget and staffing.

It is likely this bill would create an estimated \$3.0 million Proposition 98 General Fund cost pressure annually for LEAs who choose the alternative proposed by this bill to notify parents and report student outcome data to the SDE. This estimate assumes ten minutes of staff time per CTE student at \$30 per hour staff cost and enrollment of 586,300 CTE students statewide (2008-09 CTE enrollment reported by the SDE). Additionally, it is likely that this bill would create an estimated \$5.1 million Proposition 98 General Fund cost pressure annually for LEAs to provide additional CTE courses. This estimate assumes a two percent increase in statewide CTE enrollment and the associated teacher costs.

COMMENTS

The Department of Finance is opposed to this bill for the following reason:

- Notwithstanding the bill's intent for the SDE to use existing resources or seek private resources to provide the specified reporting, this workload would likely create hundreds of thousands of dollars of costs for the SDE that would not be absorbable within existing state or federal resources because of recent state operations reductions. To the extent that the SDE cannot secure private resources to support this workload, this cost burden would fall directly on the General Fund.

Analyst/Principal (0363) R. Storm	Date	Program Budget Manager Nick Schweizer	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)**Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

W. Furutani

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AB 1330

Current law authorizes school districts to require and provide an additional 11 core content and elective course options for meeting high school graduation requirements in addition to the 13 courses required by the state. The 13 state-required courses for a student to graduate from high school are: (1) three years of English, (2) two years of mathematics, (3) three years of history/social science, (4) two years of science, (5) one year of visual performing arts or foreign language, and (6) two years of physical education. In addition, students are required to pass the California High School Exit Exam.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2011-2012	FC	2012-2013	FC	2013-2014	Fund Code
6110/Dept of Educ	SO	No	C	\$100	C	\$100	C	\$100	0001
6110/Dept of Educ	LA	Yes	C	\$8,100	C	\$8,100	C	\$8,100	0001